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**COMMERCE**  
CORPORATION

December 27, 2012

**VIA FIRST CLASS MAIL**

Workforce Development Agency, State of Michigan  
Workforce Investment Act Section  
Victor Office Center  
201 N. Washington Square, 5th Floor  
Lansing, Michigan 48913

Re: Notice of Mass Layoff/Plant Closing at Commerce LLC

To whom it may concern:

Pursuant to the Worker Adjustment and Retraining Notification Act of 1988 ("WARN Act"), Commerce LLC ("Commerce") hereby gives notice that, due to unforeseen business circumstances resulting from actions taken by Commerce's largest and most important suppliers, the company has been forced to begin the process of closing its business, liquidating its assets, and winding up its affairs, thus resulting in a mass layoff and plant closing as defined by the WARN Act. In accordance with 29 U.S.C. § 2102(b)(2)(A), the company cannot provide the full 60-day notice. The mass layoff/closing of operations will take place at Commerce's Michigan's location, 4660 East Paris Avenue SE, Grand Rapids, Michigan 49512.

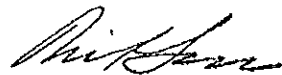
All employees will be laid off, although some may be needed to wind down the operations of the company. No bumping rights exist. The anticipated layoff date for many employees will be December 28, 2012. The circumstances surrounding the above action are addressed in more detail in the attached Notice.

The local point-of-contact is Carol Jacober, Vice President of Human Resources, (410) 360-5052, [cjacob@commercecorp.com](mailto:cjacob@commercecorp.com).

Sincerely,

COMMERCE LLC

By:



Richard Lessans,  
Chief Executive Officer



RECEIVED

To: All Employees

JAN 03 2013

From: Richard Lessans, CEO

WIA  
WORKFORCE PROGRAMS

Date: December 27, 2012

Re: Notice under the Worker Adjustment and Retraining Notification Act ("WARN")

As many of you know, Commerce has been struggling financially in recent months. Recently, due to unforeseen business circumstances resulting from actions taken by Commerce's largest and most important suppliers, the company has been forced to begin the process of closing its business, liquidating its assets, and winding up its affairs. The closing of the company will result in the immediate termination of many employees, and ultimately the termination of all employees.

Under the Worker Adjustment and Retraining Act of 1988, 29 U.S.C. § 2102, *et seq.* ("WARN Act"), employers are generally required to give affected employees at least 60 days' notice before a mass layoff and/or plant closing as defined under the WARN Act. There are, however, certain exceptions to providing notice such as here, where a company must act when faced with an unforeseeable business circumstance. More specifically, the WARN Act provides in relevant part as follows:

29 U.S.C. § 2102(b) Reduction of notification period

(2)(A) An employer may order a plant closing or mass layoff before the conclusion of the 60-day period if the closing or mass layoff is caused by business circumstances that were not reasonably foreseeable as of the time that notice would have been required.

Given its discussions with potential investors/buyers, Commerce was unable to provide notice earlier, given that such notice would have greatly impacted its ability to secure such an investment or enter into an agreement with a suitable buyer. Moreover, the business circumstances impacting the company were not reasonable foreseeable such that Commerce would have been able to provide more notice than is being provided here.

Therefore, in accordance with the WARN Act, Commerce provides the following notice:

1. Layoffs will begin on December 27, 2012. The layoff will impact all employees working at or assigned to 7603 Energy Parkway, Baltimore, Maryland 21226 and 4660 East Paris Avenue SE, Grand Rapids, Michigan 49512.

2. The layoffs will be permanent. While some employees may be employed in certain positions in order to wind down operations, you should assume that you will be laid off unless otherwise notified by the company.
3. The job titles of the positions that will potentially be impacted by this closure and the number of potentially affected employees in each job classification is attached as Exhibit A.
4. Because of the nature of this layoff, employees will not have any "bumping" rights, which means that you do not have the right to take the job of another Commerce employee.
5. Should you have any questions, please contact Carol Jacober, Vice President of Human Resources, (410) 360-5052, [cjacober@commercecorp.com](mailto:cjacober@commercecorp.com).
6. Please sign the acknowledgement of receipt form attached as Exhibit B and return it to Carol Jacober.

On behalf of my family and the entire management team, I want to thank you for the dedication and professionalism that each and every one of you has exhibited over the years. This has been the most difficult decision of my life and I wish that the circumstances were better. Some things, however, are simply beyond our control. It goes without saying that I am most appreciative for your service and support.

Best wishes and good luck.



## EXHIBIT A

<u>JOB TITLE</u>	<u>NUMBER OF AFFECTED EMPLOYEES</u>
Accountant	1
Accounts Payable Analyst	3
Administrative Specialist/Travel	1
Benefits Specialist	1
Brand & Business Development M	1
Cash Application Representativ	1
Cash Posting Analyst	1
Checker	4
Chief Executive Officer	1
Controller	1
Corporate Graphics Designer	1
Credit Analyst	4
Cust Service Team Leader	1
Custodian	1
Customer Care/Counter	1
Customer Service	6
Customer Service/Catalog Support	1
Customer Service/Sales Support	1
Data Sku Analyst	1
Dir. Sales ProGro/Proturf	1
Director eComm and NPA	1
Director Marketing - East	1
Director of First Impressions	1
Director of Imports Commerce Exclusive Brands	1
Director of Marketing Central U.S.	1
Director of Operations	1
Director of Receiving	1
Director of Shipping	1
Director of Transportation	1
Distribution Center/Ops Team L	2
Doubles Driver	3
Drop Ship Manager	1
eComm Acct Mgr	2
eComm Cust Serv Specialist	1
eComm Mkting Mgr	1
EDI Coordinator/Programmer	1
Executive VP	1
Forklift Operator	2
General Manager	3
Good Tidings	2
Good Tidings Showroom Asst	1
Graphic Designer	1
Help Desk Project Leader	1
Human Resources Specialist	1
Intern	2
Inventory	6

Inventory Control Specialist	1
Key Accounts Northeast	1
Key Acct. Mgr.	1
Key Accts Mgr W	1
Loader	1
Loader jockey	1
Logistics Analyst	1
Logistics Financial Analyst	1
maintenance supv	1
Maintenance Technician	1
marketing coordinator	1
Marketing Manager	1
Marketing Manager West	1
Marketing Support	1
Marketing/Brands Mgr	1
Merchandiser	5
Merchandiser/Sales Rep	3
Midwest Sales Manager	1
NAPA Acct Manager	1
Network Admin/PC Support	1
Office Coordinator 2nd Shift	1
Operations Asst	1
Operations Manager	2
Operations Supervisor	3
Operations Support	1
Order Processor	8
Pick Programmer	1
Product Manager	3
Product Manager/Import Coordin	1
Product Manager/Turfgrass Div	1
Product Specialist	1
Product/Purchasing Manager	1
Quality Control	10
Reach Trk Replenishment Coord	1
Reach Truck Operator	9
Receiver	5
Receiving Support	1
Regional Manager	2
Regional Sales Manager, Wester	1
Returns/Shipping Discrepancies	1
Sales Admin & Supp Svcs Asst	1
Sales Leader Key Customers	1
Sales Representative	37
Sales Support Coordinator	2
Sales Support Services	1
salesmktgspecialist	18
Seasonal Showrm Asst	1
Senior Credit Analyst	1
Shipping Assistant	1
Shipping Supervisor	1
Shipping Support Specialist	1
Showroom Sales/Customer Servic	1

Sls/Prod. Mgr/Wild Bird Spec.	1
Small Package Coordinator	1
Small Pkg Team Ldr	1
Sourcing and Design Coordinator	1
Space Planner	1
Sr Product Manager	1
Sr. VP Sales East	1
Straight Truck Drive	1
Support Services Rep	1
team leader	2
Tractor Trailer Driv	8
Transportation Supervisor	1
updating clerk	1
Vice Pres Ops & Supp Chn Mgt	1
Vice President Good Tidings	1
Vice President Marketing	1
Vice President, Human Resources	1
Vice President/Chief Information Officer	1
VP Purch Supp Ch Mgt	1
VP Sales	1
VP-Chief Financial Officer	1
Warehouse Receiving Manager	1
Warehouse supervisor	2
Warehouse worker	16

**EXHIBIT B**

This Acknowledgement confirms that on December 27, 2012, I was given notice of the mass layoff/business closing decision which affects my employment status with Commerce. I understand that my last date of employment will be December 28, 2012, unless otherwise notified.

\_\_\_\_\_  
Date

\_\_\_\_\_  
Employee Signature

\_\_\_\_\_  
Employee Name